

Council Agenda: 9/21/04
Item: 4.4

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Stephen M. Haase

SUBJECT: COYOTE VALLEY SPECIFIC
PLAN PROGRESS REPORT

DATE: September 10, 2004

Approved

Date

9/13/04

Council District: 2
SNI Area: N/A

RECOMMENDATION

It is recommended that the City Council:

1. Accept a progress report from the Coyote Valley Specific Plan Task Force on the draft "Composite Framework" identifying potential infrastructure elements for a new Coyote Valley community.
2. Reaffirm Council's direction on the preparation of the Coyote Valley Specific Plan as outlined in Council's Vision and Expected Outcomes for Coyote Valley Specific Plan Task Force, originally considered by the Council on August 20, 2002.

BACKGROUND

This progress report intends to apprise Council of the status of the Coyote Valley planning effort, elicit input from Council, and make any course corrections that may be warranted. The report explains the planning process and describes a "Composite Framework" of preliminary infrastructure elements defining a new Coyote community.

In August 2002, the Mayor and City Council initiated the preparation of a specific plan for Coyote Valley. The Coyote Valley Specific Plan (CVSP) area consists of 7,000 acres of mostly undeveloped land in the southern reaches of the City of San Jose. The CVSP area is generally bounded by Tulare Hill to the north, Highway 101/foothills to the east, the City of Morgan Hill



to the south, and the hills to the west. It is divided into three sub-areas, each with a different existing land use designation per the San Jose 2020 General Plan: the North Coyote Valley Campus Industrial area (1,400 acres), the mid-Coyote Urban Reserve (2,000 acres), and the South Coyote Valley Greenbelt to the south (3,600 acres).

At the time of initiating the CVSP, the City Council adopted a vision statement with 15 expected outcomes for Coyote Valley consistent with the San Jose 2020 General Plan (see Attachment 1).

Major features of this vision include:

- Urban development in North and mid-Coyote of at least 50,000 jobs and 25,000 housing units, of which 20% would be affordable.
- The urban community to be highly livable, pedestrian and transit friendly with a variety of housing types, schools, parklands, trails, bicycle paths, transit, commercial centers, job centers, and other community services.
- The Coyote Valley Specific Plan should include Central and North Coyote for land planning, and South Coyote Valley Greenbelt in the infrastructure financing mechanism only.

The City Council also appointed a 20-member Task Force, co-chaired by Mayor Ron Gonzales and Councilmember Forrest Williams, to guide the preparation of the Coyote Valley Specific Plan. The Task Force also includes Vice Mayor Pat Dando, Supervisor Don Gage, property owners, environmental advocates and other stakeholders. The Task Force generally meets once a month, with occasional additional meetings.

The Specific Plan effort is being led by City Planning staff and a consultant team headed by the Dahlin Group and KenKay Associates. Other members of the consultant team include Economic and Planning Systems, HMM Engineers, David J. Powers & Associates, Wetlands Research Associates, Schaaf & Wheeler, ENGEO, Hexagon, Basin Research, Lowney Associates, SAGE, and Apex Strategies.

ANALYSIS

Introduction

The preparation of the Coyote Valley Specific Plan is an exciting opportunity to design and facilitate the creation of a new community (or "new town") that is sensitive to its environment, integrates land uses and all modes of transportation, provides affordable housing, and meets other objectives embodied in the San Jose 2020 General Plan.

The magnitude of the Coyote Valley Specific Plan (CVSP) is far greater than any specific plan completed to date in San Jose (e.g., Coyote Valley is over 8 times as large as Evergreen in terms of land area and residential development potential alone). In addition, the issues associated with Coyote Valley are vastly more complex due to environmental opportunities, infrastructure and community facility needs, financing, etc.

While there are other large scale, mixed use, master planned communities throughout the United States, they consist of primarily lower density housing types and work places over larger areas than Coyote Valley. Prominent master planned communities include Irvine Ranch CA (43 square miles), Stapleton CO (4,700 acres), and Celebration FL (4,900 acres). Playa Vista CA on the west side of Los Angeles is an example of a newly planned community that is expected to have 13,000 homes and 21,000 jobs on 1,087 acres, a development intensity similar to what is envisioned in Coyote Valley.

The Coyote Valley planning effort involves the preparation of a specific plan, directing land use, transportation, public facilities, and infrastructure for the new community. Associated elements include a development phasing plan, implementation measures, market analyses, fiscal impact study, design guidelines, zoning districts, and an Environmental Impact Report. This package is expected to be considered by the City Council in December 2005.

Community and Task Force Process

Community participation has been key to the Coyote Valley Specific Plan (CVSP) process since its inception. In keeping with the City's long-standing practice of involving the community in its planning efforts, and given the scale, complexity, and civic and regional significance of the CVSP, the Task Force considered an extensive community participation plan early on in the planning process.

The CVSP effort began with the first meeting of the Task Force in September 2002, and has proceeded with extensive community outreach and discussions with many other governmental agencies, as well as the participation of affected property owners, developers, residents, and other community stakeholders. To date, the Task Force has met 21 times including six community workshops, of which four Saturday workshops occurred this year. These weekend workshops have drawn an average attendance of over 140 attendees, with the monthly Task Force meetings averaging approximately 50 people.

The CVSP staff and consultants have met several times with the various property owner groups and other stakeholders to discuss the progress of the specific plan. A Technical Advisory Committee with public agencies and non-profit organizations meets monthly, as does various technical sub-committees and staff from City Departments.

In keeping with the spirit to promote a wider participation and dialogue on the CVSP, staff has also made periodic presentations to provide an up-to-date status reports to senior staff of key City Departments and public agencies including the Department of Public Works, Valley

Transportation Authority, Santa Clara Valley Water District, County Parks and Recreation, and County Environmental Resources Agency. City and County Commissions that have also been provided with progress reports at key stages of the process include the City's Planning, Housing, and Parks Commissions, as well as the County's Planning, and Parks and Recreation Commissions.

The CVSP process is also supported by a frequently updated website at www.sanjoseca.gov/coyotevalley/. The website is a critical outreach tool as it allows 24-hours-a-day, real time access to announcements of upcoming CVSP events, as well as all agendas, reports, presentations, and publications that have previously been discussed at Task Force meetings and community workshops. It has also enabled people from far and wide to transmit their input or inquiries to staff on the CVSP via email.

Task Force meetings and community workshops are open to the public and are professionally facilitated by Eileen Goodwin of Apex Strategies. While most participants to these meetings have typically come from the San Jose metropolitan area, we have had participation from other counties, including Alameda, Contra Costa and San Benito.

The degree of outreach and public participation involved in the CVSP process is unprecedented for any previous planning effort in San Jose. Community meetings are routinely advertised in community newspapers and post card mailings. The CVSP process has had television, radio, and newspaper coverage. Three community newsletters have been sent to a 1,600-person database to keep the public apprised of critical stages of the planning process. A fourth newsletter is in preparation and will be distributed by the middle of this month.

A New Approach to the Specific Plan Process

Because of the potential sensitivity of several environmental resources in Coyote Valley, and the City's desire to create a model community based on innovative planning and design, the Task Force and CVSP planning team embarked on a new approach for preparing this specific plan. The approach involved a shift from a land planning driven process to one that evolves from the existing natural environment or Environmental Footprint. This new approach led to a multi-phased planning process comprising Technical Analysis, Foundation Infrastructure and Land Use Concepts, Development of the CVSP and EIR, and Recommendation and Approval (see Attachment 2). All of these phases include monthly Task Force meetings, Technical Advisory Committee meetings, community workshops, focus groups and property owner meetings.

- a. Technical Analysis (July – December 2003): The first phase consisted of the completion of background information regarding existing conditions, constraints, and opportunities within the Valley. It involved compiling existing data, collecting new data as needed, and documenting and mapping the information for use in subsequent phases of the project. The technical areas covered in this phase included land use, biology, hydrology, geology, hazardous materials, traffic, civil engineering, and archeology/historic resources. These analyses and data provide the background information for subsequent

phases of the CVSP, as well as the existing setting sections of the CVSP Environmental Impact Report (EIR).

- b. Foundational Infrastructure and Land Use Concepts (January – September 2004): This phase consists of developing a preliminary land planning and urban design framework for the specific plan, formulating the building blocks of the new Coyote community, and creating conceptual design alternatives of potential infrastructure systems. The conceptual design alternatives are analyzed against several criteria such as technical, economic and regulatory feasibility, cost versus value, social equity, etc. by the CVSP consultants, City staff, and public agencies such as the Valley Transportation Authority and Santa Clara Valley Water District (see Attachment 3 for the filtering criteria considered by the Task Force).

These analyses culminated in a draft Composite Framework of potential infrastructure elements, which the CVSP staff and consultants presented to the Task Force at its August 30, 2004 meeting. By motion and unanimous support, while recognizing its preliminary nature and the absence of precise information on such items as the cost, the Task Force accepted the draft Composite Framework as a skeletal foundation for the draft land use plan, both subject to further refinement and change.

The draft Composite Framework (see Attachment 4) includes the following four potential infrastructure elements:

- A focal lake, providing flood storage somewhere near the intersection of Bailey Avenue and Santa Teresa Boulevard, is envisioned as a future community core and catalyst for starting development in Coyote Valley.
- A spoke configured transit system offers Coyote Valley the most coverage and flexibility for future growth. In the near term, it is envisioned that the transit could circulate on a fixed guide-way with fun custom-designed rubber-tired "Bus Rapid Transit" vehicles, with possible transition to other technologies including rail in the far term.
- The restoration of Fisher Creek involves its reconstruction to the original location along the hillsides to the west of the CVSP area, as evidenced in a Thompson and West map dated 1876, before it was channelized in its current configuration. Relocation could provide for additional flood conveyance, which would be required to contain runoff resulting from urban development in North and Mid-Coyote.
- A multi-function parkway system with merges and loops handles high volume of traffic instead of traditional streets. The parkway could be landscaped and contain bio-filtration swales to treat urban runoff prior to entering the focal lake and Fisher Creek.

That the draft Composite Framework is being presented to Council at this very early stage is a novelty and a testimony to the significance of the CVSP to the City. It is also in keeping with the extensive outreach approach that this effort has adopted since its inception.

- c. Development of CVSP and EIR (October 2004 – September 2005): This phase will identify the locations and intensities of land uses, determine infrastructure and community service needs, formulate financing and implementation programs, and evaluate the phasing of the plan elements, as may be necessary. Proposed Coyote Valley Zoning Districts and Design Guidelines will also be prepared in an effort to provide clear direction for future development. Greenbelt strategies would also be developed in this phase, as well as the necessary Environmental Impact Report, identifying the environmental impacts resulting from the ultimately proposed project.

In the next several months, the CVSP staff and consultants will be working with the Task Force, and at community workshops, to develop conceptual land use plans based on the draft Composite Framework. It is anticipated that a draft Composite Land Use Plan would be presented to Council in another progress report in October or November.

This draft Composite Land Use Plan, together with the draft Composite Framework, would be a preliminary proposal to explore as the basis for the proposed CVSP and associated elements and documents, as well as analyze in the EIR. Additional progress reports will be given to the City Council at future milestones in the process.

- d. Recommendation and Consideration (September – December 2005): In this phase the CVSP package including the specific plan, design guidelines and zoning districts, and EIR would be presented at hearings before various Commissions prior to City Council consideration. For example, the City's Planning Commission would consider the certification of the EIR and transmit their recommendation to the City Council on the rest of the specific plan package. The entire CVSP package is expected to be submitted to the City Council for consideration in December 2005.

Reaffirming the City Council's Vision and Expected Outcomes

On August 20, 2002, the City Council initiated the Coyote Valley Specific Plan process, appointed a 20-member Task Force, and adopted a vision statement with 15 expected outcomes for Coyote Valley based on the San Jose 2020 General Plan. The Task Force was charged with assisting with the development of the CVSP, consistent with the Vision and Expected Outcomes.

The vision statement (see Attachment 1) directs minimum development capacities of 50,000 jobs and 25,000 dwelling units with 20% affordable housing. The Vision also seeks to create a highly livable, pedestrian and transit friendly community with a variety of housing types, schools, parklands, trails, bicycle paths, transit, commercial centers, job centers, and other community

services. With the minimum development criteria, preliminary planning analysis conducted to date indicates that the new Coyote community could have a population density of 21 persons per acre, compared to San Jose's existing average of 10 persons per acre within the Urban Service Area. While the CVSP density could be more than the City's existing average, it is lower than the averages of the Central Business District of Vancouver (300 persons/acre), Manhattan (144 persons/acre), New York City (52 persons/acre), and San Francisco (26 persons/acre).

Of particular interest, the Vision and Expected Outcomes include several points regarding the South Coyote Valley Greenbelt. Among others, they are:

- The South Coyote Valley Greenbelt is included only to determine financing and other mechanisms to secure it as a permanent Greenbelt.
- The line (Greenline) between Central Coyote and South Coyote Valley Greenbelt should not be moved.
- The CVSP should seek mechanisms to facilitate the permanent acquisition of fee title or conservation easements in South Coyote Valley Greenbelt.

Since the inception of this planning effort, the CVSP staff and consultants have had several meetings with the South Coyote Valley Greenbelt property owners, including two community meetings and various smaller group meetings to explain that the South Coyote Valley Greenbelt is meant to remain a non-urban buffer between the Cities of San Jose and Morgan Hill. Staff has also engaged the services of Sibella Kraus (SAGE), a specialist in urban edge farming and specialty agriculture, to research potential Greenbelt strategies and opportunities.

Throughout this process, staff has encountered concerns from the South Coyote Valley Greenbelt property owners who feel excluded from the process, as their lands are not being planned for urban development. Their experiences indicate that agriculture is not viable any more, and they have continued to request urban development. With a few exceptions, the South Coyote Valley Greenbelt properties are unincorporated where they are planned and zoned for Agriculture, requiring 20-acre minimum parcel sizes. The County's long-standing regulations seek to maintain this area as a "greenbelt," consistent with the San Jose 2020 General Plan.

Given this background, the CVSP staff recommends that City Council reaffirm the Vision and Expected Outcomes. Providing clarity to all stakeholders is important at this point in the planning process.

PUBLIC OUTREACH

The Coyote Valley Specific Plan effort involves extensive community outreach as well as discussions with many other governmental agencies. The extensive public outreach process is described under "Community and Task Force Process" in the Analysis section of this report.

COST IMPLICATIONS

Pursuant to City Council direction in 2003 that new long range planning activities need to be funded from external sources, the Coyote Valley Specific Plan effort is entirely funded by a group of property owners represented by the Coyote Housing Group, LLC, and has no impacts on the City's General Fund.

COORDINATION

The preparation of this memorandum was coordinated with the City Attorney's Office. The Specific Plan effort involves multiple City Departments and outside agencies, as described under "Community and Task Force Process" in the Analysis section of this report.

CEQA

Exempt, PP03-11-366.


for STEPHEN M. HAASE, DIRECTOR
Planning, Building and Code Enforcement

Attachments:

1. City Council Vision and Expected Outcomes
2. Process Diagram
3. Filtering Criteria Diagram
4. Draft Composite Framework Diagram

ATTACHMENT 1

Coyote Valley Specific Plan COUNCIL'S VISION AND EXPECTED OUTCOMES

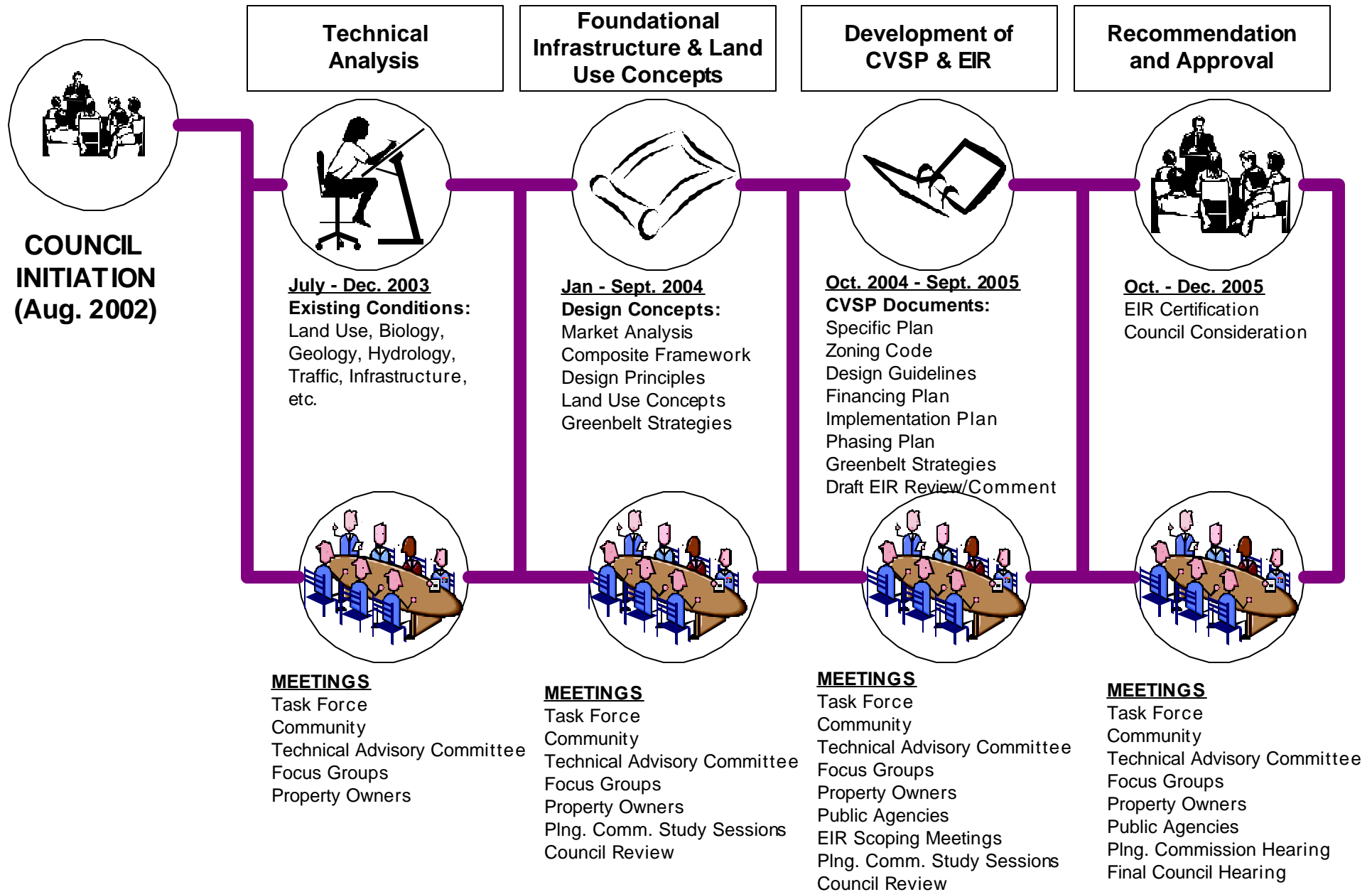
1. The plan will include Central and North Coyote for land planning and will include South Coyote in the infrastructure financing mechanism only. South Coyote (Greenbelt) is included only to determine financing and other mechanisms to secure this as a permanent Greenbelt.
2. The line (Greenline) between Central and South shall not be moved.
3. The line between North and Central could be erased to allow for mixed-use throughout as long as 25,000 housing units in Central and 50,000 jobs in North remain as a base. Then, jobs can be added in Central Coyote and housing in North Coyote to achieve mixed-use or develop a property owner agreement to "trade" jobs and housing counts to achieve mixed-use goal.
4. The overall development character of North and Central Coyote Valley should be very urban, pedestrian and transit-oriented community with a mixture of housing densities, supportive businesses and services and campus industrial uses.
5. The Specific Plan should plan for the extension of light rail and heavy rail into Central Coyote and use these facilities to orient development.
6. We shall maximize efficient land usage; i.e., the 25,000 units and 50,000 jobs are both minimums. In North and Central Coyote combined, the total development potential is at least 50,000 jobs and at least 25,000 housing units. Through the Specific Plan process we shall determine the distribution of that potential across north and south, including mixed-use concepts.
7. It will be important to distinguish that the 50,000 jobs referenced are primarily industrial/office jobs, not the additional retail support or public/quasi-public jobs (e.g., City workers) that must also be accommodated in the Plan area for a vibrant, mixed-used, urban community.
8. Identify locations for public facilities (libraries, parks, schools, etc.) in the land use plan as well as include these facilities in the financing plan.
9. North and Mid-Coyote should contain a rich system of parks, trails, and recreation areas.

10. The identification of financing measures for the needed capital improvements to support the planned levels of development.
11. The plan must be financially feasible for private development.
12. The plan must develop trigger mechanisms to ensure that increments of housing may not move forward until the appropriate number of jobs are constructed in a parallel timeline to maintain a jobs/housing balance in Coyote Valley.
13. The Task Force should review the potential to utilize "sub-regions" of the valley that will incorporate jobs and housing that can move forward when the subregion has ability to finance the appropriate infrastructure. Residential projects will be issued building permits in parallel with the development of jobs when either the projects are purely mixed-use in their construction or the jobs and housing are constructed simultaneously.
14. The plan should seek mechanisms to facilitate the permanent acquisition of fee title or conservation easements in South Coyote.
15. The plan should allow for the current General Plan budget triggers to be changed to triggers based upon the Valley or its sub-regions jobs and housing revenues covering the General Fund cost of services.

The plan shall include a requirement that will mandate 20 percent of all units be "deed-restricted, below-market-rate units."

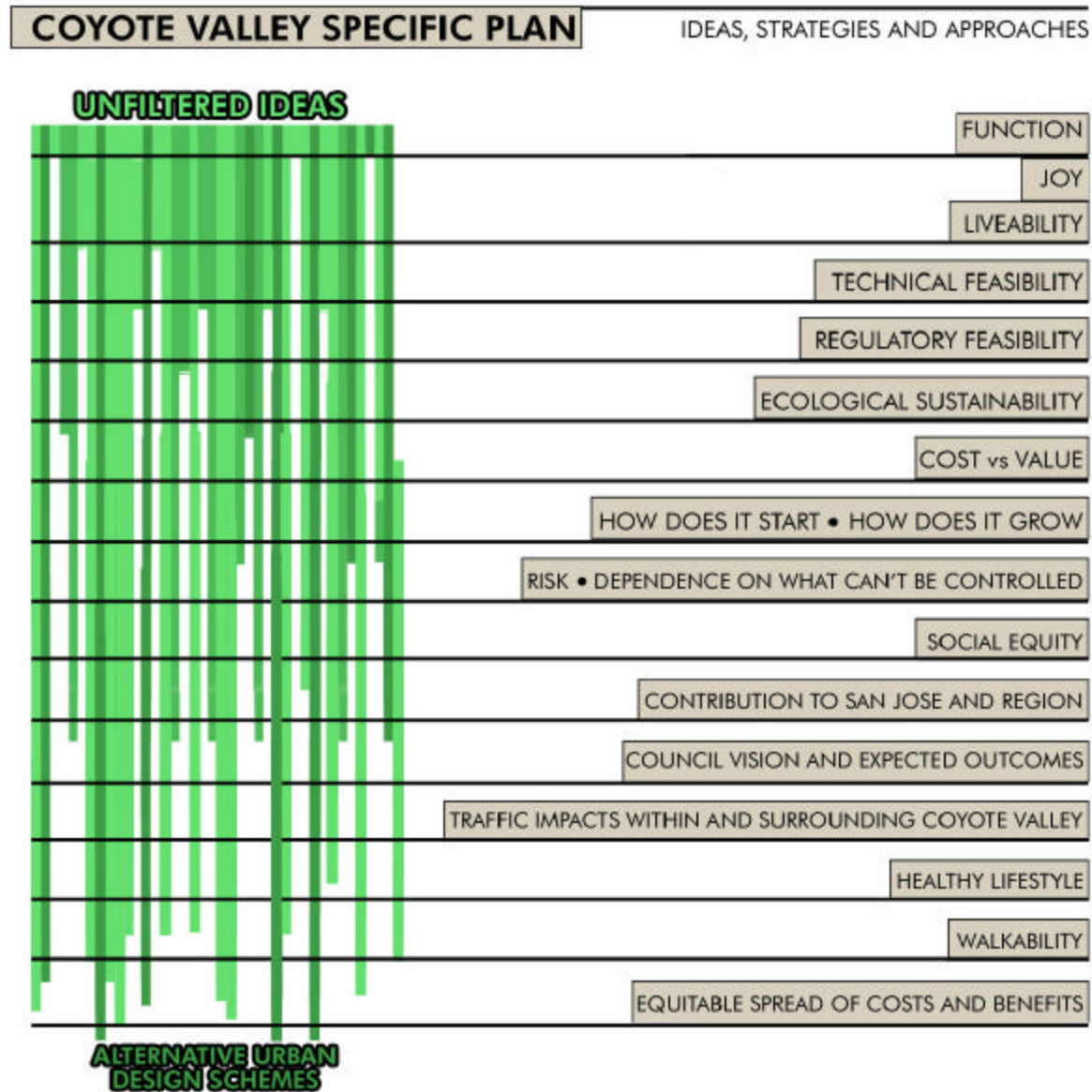
ATTACHMENT 2

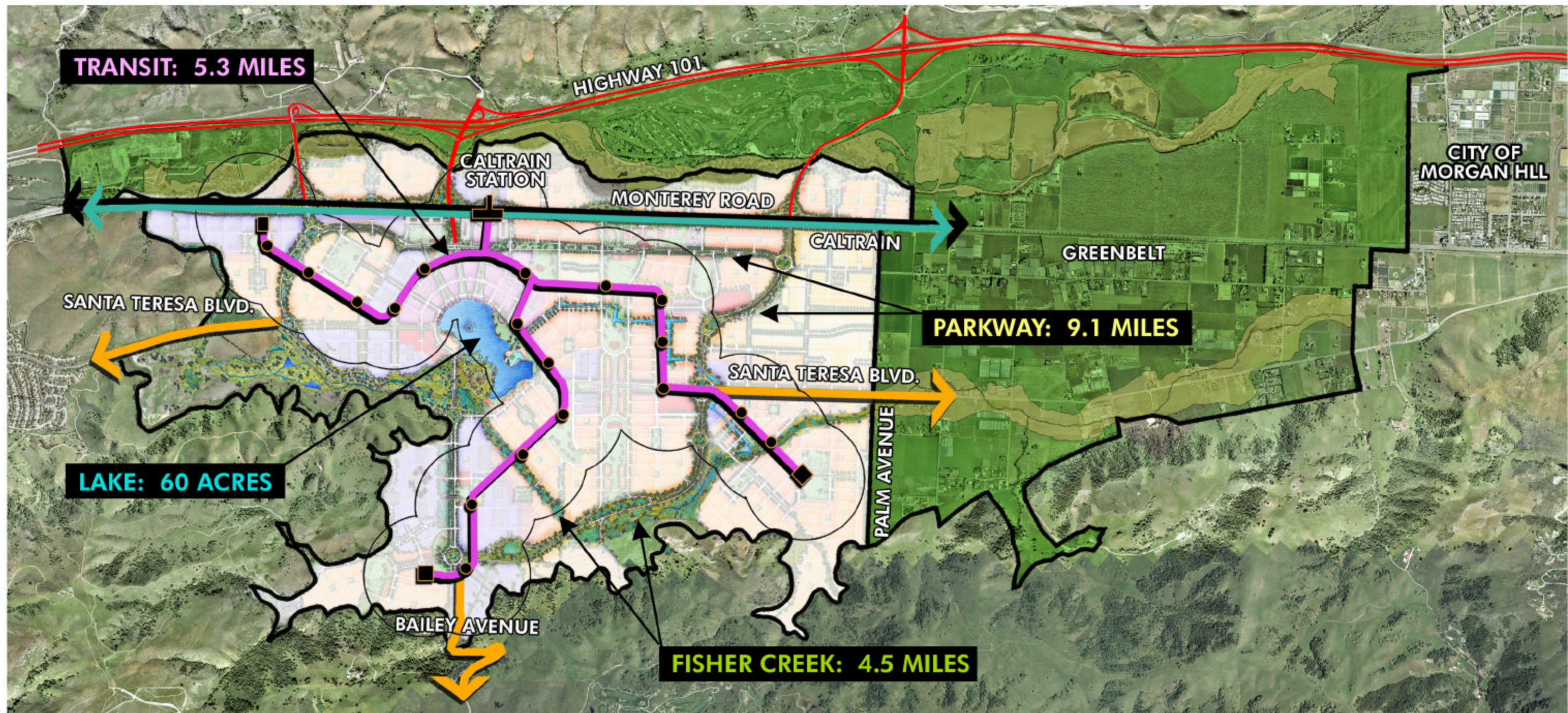
COYOTE VALLEY SPECIFIC PLAN PROCESS DIAGRAM



ATTACHMENT 3

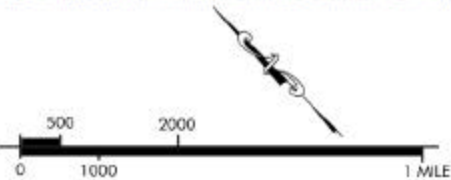
COYOTE VALLEY SPECIFIC PLAN FILTERING DIAGRAM





COMPOSITE FRAMEWORK: RESTORED FISHER CREEK - FOCAL LAKE & CANAL - PARKWAY - SPOKE TRANSIT

COYOTE VALLEY SPECIFIC PLAN
SAN JOSE, CALIFORNIA



KEN KAY ASSOCIATES
1045 Sansome St.
San Francisco, CA 94111
415.956.4472
415.956.4522 Fax

SEPTEMBER 8, 2004 PROJECT NO: 407.010
DAHLIN GROUP
ARCHITECTURE
PLANNING
2671 Crow Canyon Rd.
San Ramon, CA 94583
925.837.8286
925.837.2543 Fax